Oxford Cambridge and RSA

GCSE (9–1)

Business

J204/02: Business 2: operations, finance and influences on

business

General Certificate of Secondary Education

Mark Scheme for June 2019

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All examiners are instructed that alternative correct answers and unexpected approaches in candidates' scripts must be given marks that fairly reflect the relevant knowledge and skills demonstrated.

Mark schemes should be read in conjunction with the published question papers and the report on the examination.

Annotations

Annotation	Meaning
AN	Analysis (AO3a)
APP	Application (AO2)
BOD	Benefit of doubt
BP	Blank page
✗	Cross
EVAL	Evaluation (AO3b)
K	Knowledge (AO1a)
NAQ	Not answered question
NUT	No use of text
OFR	Own figure rule
REP	Repeat
SEEN	Noted but no credit given
TV	Too vague
✓	Tick
U	Understanding (AO1b)

Question	Answer	Marks	Assessment Objective
SECTION A			
1	**A**	1	1b
2	**D**	1	2
3	**B**	1	1a
4	**C**	1	1a
5	**C**	1	2Q
6	**D**	1	1a
7	**B**	1	1b
8	**C**	1	2Q
9	**B**	1	1a
10	**B**	1	2Q
11	**D**	1	2
12	**D**	1	1b
13	**A**	1	2Q
14	**B**	1	2
15	**B**	1	1b PS

Question			Answer	Mark	Guidance
16	(a)	(i)	**Answers may include:** • Sustainability • Waste disposal • Pollution • Climate change	2 A01a 2	One mark for a correct identification ✓ ✓ *Only allow one mark for each 'type' of consideration or example of each. For example, do not reward <u>waste disposal</u> AND <u>recycling.</u>*
		(ii)	**Understanding may include:** Recycling, 'green business', renewable energy, not using single use plastic etc.. **Application may include:** • Owned by Coca-Cola • Second largest coffeehouse chain in the world 2100 branches in UK, 1200 branches in rest of world) • Switched to environmentally friendly coffee beans • Use beans from Rainforest Alliance-certified suppliers **Analysis may include:** • Improved brand image and competitive advantage • Increase business ability to comply with regulation • Attract employees and investors • Reduce waste • Make shareholders happy **Exemplar response:** Costa Coffee may use more recycling (U) in all of it's 2100 UK branches (APP) which could persuade more customers to come to their shop (AN) **Exemplar response:** Costs may retain more of it's workers (AN) because it has switched to an environmental supplier (U) for it's coffee beans (APP).	3 AO1b 1 AO2 1 A03 1	One mark for understanding the meaning of being a sustainable business. ✓ *No further marks can be gained without understanding.* One further mark for application of understanding to Costa Coffee specifically, using evidence from the text. ✓ APP One further mark for analysis of one advantage to of Costa Coffee being a sustainable business. ✓
			Understanding may include:		One mark for understanding of a ✓

16	**(b)**		• To help the local communities • To use as part of its marketing • Reliability of supplies • Quality of the beans - certified • Ethical reasons • Environmental reasons **Application may include:** • Meet Costa's (ethical/environmental) **standards** • Competitive market, eg Starbucks • Switched to environmentally friendly coffee • Switched to ethically **sourced** beans • Owned by Coca-Cola (importance of reputation) • Importance when selling an edible product **Exemplar response:** Suppliers may be more reliable (U) so that Costa can stock it's 2100 branches in UK (APP). **Exemplar response:** Costa Coffee may want to be more ethical (U) than their competition such as Starbucks (APP).	4 AO1b 2 AO2 2	reason why certain suppliers are chosen up to a maximum of 2 marks. *No application marks can be gained without understanding.* One further mark for application of a reason why having 'Rainforest' certified suppliers is important to Costa Coffee up to a maximum of 2 marks.

16	**(c)**		**Knowledge may include:** • Efficiency/quicker/communication • Training • Ease • Cost • Motivation **Application may include:** • Less time taken doing jobs in finance • May lead to redundancy in finance area • Allow management employees to co-ordinate the 2100 branches in UK/1200 branches in rest of the world • Motivate employees in Welshpool branch • Co-ordinate the supply chain • Co-ordinate the wide-range of products • Plan refurbishment of shops • New coffee product development **Exemplar response:** One possible impact is that the new software may improve the efficiency (1) of a Costa Coffee employee as they can produce financial data more quickly (1).	2 AO1a 1 AO2 1	One mark for identifying an impact of computer software/technology. ✓ *No application marks can be gained without knowledge.* One further mark for application of the impact on Costa Coffee employees. ✓ APP
16	**(d)**	**(i)**	**Answers may include:** • Cost/rent of the location • Transport/infrastructure • Proximity to the market/customers (number of customers, size/population) • Proximity to labour/workers • Proximity to raw materials • Government – encourage to set up in an area (enterprise zone) • Competition/rivals • Marketing reasons ARA	2 AO1a 2	One mark for each correct identification, up to a maximum ✓ of two marks

		(ii)	**Application may include:** • Town centre • High street • Near other businesses – including offices and shops • Only two other coffee shops **Analysis may include:** • The level of competition – this was low meaning they could compete with them • They are a large firm with lots of money behind them – costs may not have been an issue • They were near lots of other businesses and offices – footfall would be high in a town centre • The local businesses would provide a lot of customers • The infrastructure in the town would be good so stock/staff can get to the shop easily **Evaluation may include:** • Which factor is most influential? • The relative influence of different factors • Why a factor is influential • What the level of influence of a factor might depend upon **Exemplar response:** By locating in the town centre there will be many people walking past (APP) and so Costa is likely to have more customers and make a profit (AN). However, there were two other coffee shops already located there when Costa set their shop up (APP). This may make it difficult to get enough customers to make the shop profitable (AN). Overall the number of potential customers is more important than the level of competition (EVAL) when deciding on a suitable location because a coffee shop cannot compete at all without passing trade (EVAL) so the High Street is ideal (EVAL).	7 AO2 2 **APP** AO3a 2 **AN** AO3b 3 **EVAL**	**Use levels of response criteria** All level descriptors describe the TOP of the level – please read guidance at the beginning of the mark scheme regarding best fit approach. **Level 3 (5-7 marks)** (AO2 – 2 marks, AO3a – 2 marks, AO3b – 3 marks) **Good** application of knowledge and understanding of location factors in Welshpool for Costa Coffee. *There are no additional marks available for application above those achieved at level 2.* **Good** analysis of the location factors for Costa Coffee. There is a deconstruction of relevant information and/or issues to find connections and to provide logical chains of reasoning. (AO3a) **Strong** evaluation of the location factors influence on Costa Coffee decision to locate in Welshpool. A judgement is made and conclusions are drawn that are fully justified and which draw on underpinning knowledge and understanding. (AO3b) **Level 2 (3-4 marks)** (AO2 – 2 mark, AO3a – 1 mark, AO3b – 1 mark) **Good** application of the location factors

	Application (2 marks)	**Analysis** (2 marks)	**Evaluation** (3 marks)
Strong	**2 marks** Two <u>uses</u> of data **[APP]** **[APP]**	**2 marks** Two (business-facing) pieces of analysis of factors that may have affected location **[AN]** **[AN]**	**3 marks** A **justified** evaluation about one or more factors that may influence location, **using the data** **[EVAL]** **[EVAL]** **[EVAL]**
Good			**2 marks** A **justified** evaluation about one or more factors that may influence location **[EVAL]** **[EVAL]**
Limited	**1 mark** One <u>use</u> of data **[APP]**	**1 mark** One (business-facing) pieces of analysis of factors that may have affected location **[AN]**	**1 mark** An evaluative statement about one or more factors that may influence location **[EVAL]**

affecting Costa Coffee. There is a detailed understanding of the relevant elements of the scenario. (AO2)

Limited analysis of the location factors. There are some relevant chains of reasoning such as simple statements of cause and consequence. (AO3a)

Limited evaluation of the location factors on Costa Coffee. (AO3b)

Level 1 (1-2 marks)
(AO2 – 1 mark, AO3a – 1 mark)

Limited application of the location factors and how they influence Costa Coffee's decision.

There is some use of the relevant elements of the scenario. (AO2 – 1 mark)

Limited analysis of the location factors

There are some relevant chains of reasoning such as simple statements of cause and consequence. (AO3a – 1 mark)

No evaluation of the impact of the location factors on Costa Coffee's decision on where to locate.

0 marks – no response or no response worthy of credit.

Question			Answer	Mark	Guidance
17	(a)		**Answers may include:** Salaries Rent Insurance ARA	1 AO1b 1	1 mark for a correct identification
17	(b)	(i)	**Answers may include:** Variable costs are costs that change (1) as output/sales changes (1).	2 AO1a 2	1 mark for identifying that variable costs change 1 **further** mark for linking the change to output.
		(ii)	**SP spent on wages:** 35% of £5500 =£5500 x 0.35 =£1925 (1) £1925 x 12 months **= £23 100 (2)** The first mark is for correctly calculating the proportion of wages from 2018's variable costs. The second mark is for correctly calculating this as an annual figure (ie multiply by 12 months) – this mark can be based on a candidate own figure if a mistake has been made in the first part. OFR	2 A02 2	Up to 2 marks for correct answer. *Award 2 marks for correct answer even if workings not shown.* *£ sign does not have to be given.* *If candidate has used 2017 figures award one mark for a correct calculation of £1760 x 12 months = £21,120 (OFR)*

		(iii)	**Application may include:** • £880 a month (£10 560 a year) in 2017 **to** £1100 a month (£13 200 a year) in 2018 • An increase of £220 a month or an increase of £2640 a year **Analysis may include:** • The costs have increased by £220 (1) however the proportion of all variable costs has stayed the same (1) • SP is paying more dry cleaning chemical costs (1) however the proportion of all variable costs has stayed the same (1) • May be due to more sales (1) leading to SP having to purchase more dry cleaning chemicals (1) • May be due to the cost of the chemicals increasing (1) leading to SP having to purchase more raw materials (1) *NB If a candidate analyses the effect on SP's costs as a proportion of variable costs, then there must be a clear indication that SP's costs have increased. However one analytical mark can be gained by recognising that the proportion of costs stayed the same, even if the cost increase is not explicit.*	3 AO2 1 AO3a 2	1 mark for applying information in pie charts 1 and 2 to SP ✓ APP 2 marks for analysing the change in SPs spending on dry cleaning chemical products ✓ ✓ *The analysis marks can come from two separate pieces of analysis (effects on the business) leading from one change OR from the development of one piece of analysis (effects on the business) leading from one change,*

17	**(c)**		*This question is asking candidates to calculate ARR form the perspective of SP (Stuart and Pippa). Therefore their 'income' would be the net profit from HD sewing. To give SP a 'profit' figure from the purchase of HD the purchase price of HD would need to be subtracted.* *If candidates have not subtracted the purchase price of HD they will have missed a stage in the calculation and should be awarded appropriate marks under the OFR.* *Accept clear rounding errors* The correct process is: • £25 000 x 5 years = £125 000 • £125 000 - £80 000 = £45 000 • $\frac{£45\,000}{5 \text{ years}}$ = £9000 • $\frac{£9000}{£80\,000}$ x 100 = **11.25% (3) – accept 11.3% or 11% as fully correct answers** The following answer is incorrect but can be rewarded 2 marks (with or without supporting working): • $\frac{£25\,000}{£80\,000}$ x 100 = **31.25% (2)** Reward answers, wherever possible, based on the processes above to reward candidates under the OFR.	3 AO2 3	Award 3 marks for a correct answer with or without working or %. One mark for the correct calculation of total income from the purchase of HD sewing ($25,000 x 5 years = £125 000). One mark for the correct calculation of profit gained from the purchase of HD Sewing (£125 000 - £80 000 = £45 000) – **OFR** One mark for the correct calculation of ARR ($\frac{£45\,000/5 \text{ years}}{£80\,000}$ x100 =11.25%) - **OFR**

17	**(d)**	**(i)**	**Understanding may include**: • Growth/expansion • Profit/owner income/return on investment • Meet objectives • Reduce average costs • Enter a new market **Application may include:** • HD has higher sales revenue of £90 000 but FS only has sales revenue of £82 500 • HD has a higher annual net profit of £25 000 more than FS at £22 000 • HD has a higher net profit margin of 28% than FS's 27% • Reference to their answer to 17c compared to FS's ARR of 13.8% – OFR • HD will return the investment in just over 3 years **Analysis may include:** • Higher sales may mean SP will gain more sales/customers if they purchase HD • Higher net profit may mean FS has a better control of costs/expenses which will benefit SP's overall costs if they purchase HD • Better net profit margin may mean a more efficient business • HD would add more annual profit to SP than FS • Stuart and Pippa would gain more annual profit than FS • Allow the business to grow ARA *Allow the use of ANY answer form Q17c as OFR – this may lead to very different application and analysis marks which should all be fully rewarded if in line with the candidates response to Q17c* **Exemplar** HD has a better annual net profit (1) than Fast Stich by £3000 (1) which means that it is likely to be a more successful business and Stuart and Pippa will be able to pay themselves a bigger income (1)	3 AO1b 1 AO2 1 AO3a 1	1 mark for understanding of a reason for buying a business ✓ *No further marks can be gained without understanding.* 1 further mark for use of the data in Table 1 (and/or Q17c – OFR) ✓ 1 further mark for analysis of one advantage to SP of purchasing HD ✓

		(ii)	**Understanding may include**: • Growth/expansion • Profit/owner income/return on investment • Meet objectives • Reduce average costs • Enter a new market **Application may include:** • FS has a lower purchase price of £65 000, less than HD's price of £80 000 • FS has a better ARR of 13.8% compared to HD's 11.25% - OFR • FS will return the investment in less than three years **Analysis may include:** • Less money needs to be used – lower cost to SP • Less risk to SP • Allow the business to grow ARA *Allow the use of ANY answer form Q17c as OFR – this may lead to very different application and analysis marks which should all be fully rewarded if in line with the candidates response to Q17c* **Exemplar** Fast stich has a better return than HD (1) of 13.8% compared to 11.2% (1). This means that SP will gain more profit compared to the cost (1).	3 AO1b 1 AO2 1 AO3a 1	1 mark for understanding of a reason for buying a business ✔ *No further marks can be gained without understanding.* 1 further mark for use of the data in Table 1 (and/or Q17c – OFR) ✔ 1 further mark for analysis of one advantage to SP of purchasing Fast Stich (FS) ✔

		(iii)	A full answer needs a supported judgement based on a comparison so students could justify the purchase of HD or Fast stitch *Further analysis of the methods of production should not be rewarded, but can form part of a candidates justification* **Exemplar** It is clear that SP should buy FS (1) because Pippa is more concerned about the return on her investment than any other factor (1) and FS has the higher ARR (1) *In such an answer as the one above – it is important that the candidates own figure in question 17c is in line with the justification.* **Exemplar** SP should buy HD (1) because Stuart and Pippa as business owners want to make as much profit as possible (1) and HD has the higher annual net profit (1).	3 AO3b 3	One mark for a judgement whether SP should purchase HD Sewing or Fast Stich. One further mark for justification of a judgement whether SP should purchase HD Sewing or Fast Stich. One mark for use of context within the justification. APP
18	**(a)**		**Answers may include:** ***Application in this question, may be liked to food and/or M&S and can be implied*** **Example of application linked to food:** • Customers may choose not to purchase food they cannot touch/smell • Cost of transportation of the food • Food may become damaged in transit **Examples of application linked to M&S:** • **Damage to reputation if the website crashes** • Cost of website/security (for such a big business) • Cost of cyberattack (M&S is a big target) **ARA**	1 AO2 1	1 mark for a correct identification linked to M&S *Do not reward a disadvantage to the customer - NAQ*

	(b)		**Understanding may include:** • It may cost more to be ethical to workers • It may cost more to be ethical to suppliers • It may cost more to be ethical to customers • It may benefit a business's reputation • It may benefit sales revenue • It may benefit recruitment/retention **Application may include:** • 'Nourishing our wellbeing' – including looking after staff and their needs – wages, hours, safe working conditions • 'Transforming local communities' – including supporting staff who want to volunteer in charities • 'Caring for the planet we share' **Analysis may include:** Analysis of a cost • If the price/revenue stays the same, it will decrease profitability • If revenue goes up (by even more than costs) then it may increase profitability Analysis of a benefit: • If costs stay the same, it will increase profitability • If costs go up (by even more than the price/revenue) then it may decrease profitability ARA **<u>Exemplar response:</u>** M&S ethical programme has an impact on the staff retention (U) because M&S will support them in volunteering (APP), however this may increase the costs of the business reducing their profitability if they do not increase their prices (AN)	3 AO1b 1 AO2 1 AO3a 1	One mark for understanding of the <u>impact</u> of ethical considerations. *No further marks can be gained without understanding of the impact (<u>not necessarily understanding of ethics</u>).* One further mark for application of understanding to M&S specifically, using evidence from the text. APP One further mark for analysis of an impact of ethical considerations on M&S's <u>profitability</u>.

18	**(c)**		**Understanding may include:** • to maintain reputation • to sell more products • to reduce returns • to make more profit • to create brand loyalty **Application may include:** • M&S has 'high quality, own brand-food, clothing & home products' • Food must be of a minimum legal quality • Some 'home' items are covered under minimum legal requirements (ie electrical home goods) • Standards across 283 food factories • Ethical programme – poor quality increases waste **Analysis may include:** • Increased costs from products that do not meet standards • Increased time from having to return orders • Lost sales from unhappy customers/poor reputation • Increased costs from legal disputes **<u>Exemplar response:</u>** Ensuring quality is vital to M&S as it maintains reputation (U) because M&S has a reputation for high quality products (APP) which directly links to demand/sales and company profits (AN).	3 AO1b 1 AO2 1 AO3a 1	One mark for understanding of the importance of quality. ✓ *No further marks can be gained without understanding.* One further mark for application of understanding to M&S specifically, using evidence from the text. ✓ APP One further mark for analysis of a reason why quality is important to M&S's. ✓

	(d)	**(i)**	**Understanding may include:** Advantages • Quicker to produce • Cheaper to produce • More machinery can be used/less workers needed • Better productivity • Improved quality control/assurance Disadvantages • Cost of making the change • Production may need to be stopped • Perceived quality may be lower • Cost of making workers redundant **Application may include:** • Montana produces products for M&S – high quality requirements • Automating some of its production • Specialty products – perceived quality may be important • Produces 'breads, rolls, garlic breads and pizza bases' – all fairly standardised • M&S is not it's only customer – retailers and sandwich makers • Bakery has grown **Analysis may include:** • Increased/decreased costs for Montana • Potential to gain new customers/sales • Potential to offer new varieties/gain sales/new market • Possible loss of confidence of M&S – loss of sales • Impact on the workforce – boring jobs – increased absenteeism/costs etc ARA **Exemplar response:** Flow production would allow MB to produce more products in the factory (U). This would give MB more breads which it can sell to M&S (APP) which will increase their sales and may make the business more profits (AN). However, it is likely to make MB's products less unique (U) especially products like their speciality breads (APP). This might mean that M&S do not order as many products from MB (AN).	6 AO1b 2 **U** AO2 2 **APP** AO3a 2 **AN**	1 mark for understanding of an advantage of switching from batch to flow production U 1 further mark for application of an advantage of switching from batch to flow production to the Montana Bakery specifically, using evidence from the text. APP 1 further mark for analysis of an advantage of switching from batch to flow production to the Montana Bakery. AN 1 mark for understanding of a disadvantage of switching from batch to flow production U 1 further mark for application of a disadvantage of switching from batch to flow production to the Montana Bakery specifically, using evidence from the text. APP 1 further mark for analysis of a disadvantage of switching from batch to flow production to the Montana Bakery. AN

		(ii)	A full answer needs a justified judgement based on the context. *Further analysis of the methods of production should not be rewarded but can form part of a candidate's justification.* **<u>Exemplar response:</u>** The Montana Bakery should switch to flow production (1) because the cost savings it is likely to make are more important than any loss of perceived quality (1) in a competitive market such as <u>bread</u> where people often buy the cheapest (1).	3 AO3b 3	One mark for a judgement whether the Montana Bakery should switch from batch to flow production in the new factory. One further mark for justification of a judgement whether the Montana Bakery should switch from batch to flow production in the new factory. One mark for use of context within the justification. APP

18	(e)*		**Knowledge may include:** • Ethics are to do with moral principles • What is right and wrong **Understanding may include:** • Being fair and consistent in how a business deals with employees (not about the legal rights and responsibilities) • Paying a 'fair' wage (not about paying the minimum wage) • Having good working conditions (not about health and safety) • Allowing workers time off beyond minimum legal requirements • Treating employees with dignity **Application may include:** Motivation: • Making workers happier in the workplace • Employees wanting to come to work • Employees working harder Retention: • Encouraging workers to stay at M&S • Workers not looking for different jobs **Analysis may include:** • Higher productivity of workers for M&S • Increased costs of promoting ethical behaviour • Lower recruitment costs for M&S • Lower training costs for M&S **Evaluation may include:** • Whether ethical treatment of workers has more benefits than costs for M&S • Whether the impact is bigger on motivation or retention of M&S staff • The relative importance of the ethical treatment of workers at M&S, compared with other factors	9 AO1a1 **K** AO1b 1 **U** AO2 2 **APP** AO3a 2 **AN** AO3b 3 **EVAL**	**Use levels of response criteria** All level descriptors describe the TOP of the level – please read guidance at the beginning of the mark scheme regarding best fit approach. **Level 3 (7-9 marks)** (AO1a & b – 2 marks, AO2 – 2 marks, AO3a – 2 marks, AO3b – 3 marks) **Good** knowledge and understanding of ethical treatment of workers and how it may impact the retention and motivation of M&S's workers. (AO1a & b) *There are no additional marks available for knowledge and understanding above those achieved at Level 2.* **Good** application of knowledge and understanding of ethical treatment of workers. There is an understanding of the relevant elements of the scenario. (AO2) *There are no additional marks available for application above those achieved at level 2.* **Good** analysis of the importance of ethical treatment of workers to M&S in retaining and motivating workers. There is a deconstruction of relevant information and/or issues to find logical connections and to provide logical chains of reasoning. (AO3a)

	Knowledge (1 mark)	Understanding (1 mark)	Application (2 marks)	Analysis (2 marks)	Evaluation (3 marks)
Strong	**1 mark** Knowledge of ethics **[K]**	**1 mark** Understanding of how ethics may be involved in the treatment of workers **[U]**	**2 marks** One use of ethics to the <u>motivation of workers</u> **AND** one use of ethics to the <u>retention of workers</u> **[APP]** **[APP]**	**2 marks** One (business facing) piece of analysis which shows how motivation may impact M&S **AND** One (business facing) piece of analysis which shows how retention may impact M&S **[AN]** **[AN]**	**3 marks** A **justified** judgement of the impact of the ethical treatment of workers **on the motivation <u>AND</u> retention of M&S workers** **[EVAL]** **[EVAL]** **[EVAL]**
Good					**2 marks** A **justified** judgement of the impact of the ethical treatment on motivation **<u>OR</u>** retention of M&S worker **[EVAL]** **[EVAL]**
Limited			**1 mark** One use of ethics to the <u>motivation</u> **OR** <u>retention of workers</u> **[APP]**	**1 mark** One (business facing) piece of analysis which shows how motivation may impact M&S **OR** One (business facing) piece of analysis which shows how retention may impact M&S **[AN]**	**1 mark** A judgement of the impact of the ethical treatment of workers **[EVAL]**

Strong evaluation of the importance of ethical treatment of workers to M&S in retaining and motivating workers. A judgement is made and conclusions are drawn that are fully justified and which draw on underpinning knowledge and understanding. (AO3b)

Level 2 (4-6 marks)
(AO1 a&b – 2 marks, AO2 – 2 mark, AO3a – 1 mark, AO3b – 1 mark)

Good knowledge and understanding of ethical treatment of workers and how it may impact the retention and motivation of M&S's workers. (AO1a & b)

Good application of knowledge and understanding of ethical treatment of workers. There is an understanding of the relevant elements of the scenario. (AO2)

Limited analysis of the importance of ethical treatment of workers to M&S in retaining and motivating workers. There are some relevant chains of reasoning such as simple statements of cause and consequence. (AO3a)

Limited evaluation of the importance of ethical treatment of workers to M&S in retaining and motivating workers.

Level 1 (1-3 marks)

			Exemplar response: Ethics is about being moral and fair (K) which may include paying workers a fair wage (U). If M&S is being ethics then workers are likely feel well looked after which makes them happier and more motivated (APP). It may also lead to workers not wanting to leave M&S to work somewhere else (APP). By having more motivated workers, M&S won't need to advertise jobs as often which decreases their costs (AN). M&S will also find that workers are happier, and this could lead to more sales in their stores (AN). Overall ethics can effect both motivation and retention on the workers to a great extent (EVAL) but effect of retention on costs is likely to be larger (EVAL) than the effect of motivation on sales because M&S is in a competitive market (EVAL).		(AO1 – 1 mark, AO2 – 1 mark, AO3a – 1 mark) **Limited** knowledge and/or understanding of ethical treatment of workers (AO1a or b) **Limited** application of knowledge and understanding of ethical treatment of workers. There is some use of the relevant elements of the scenario. (AO2 – 1 mark) **Limited** analysis of the importance of ethical treatment of workers.. There are some relevant chains of reasoning such as simple statements of cause and consequence. (AO3a – 1 mark) **No** evaluation of the importance of ethical treatment of workers to M&S in retaining and motivating workers. **0 marks** – no response or no response worthy of credit.

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